



Memorandum # 1/2003

Commonwealth of Massachusetts | Public Employee Retirement Administration Commission

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Joseph E. Connarton, *Executive Director*

MEMORANDUM

TO: All Retirement Boards

FROM: Joseph E. Connarton, Executive Director

RE: Regular Compensation and Motor Vehicle Usage Update

DATE: January 7, 2003

As you may know, the Division of Administrative Law Appeals has recently issued a decision providing that the value of the personal use of an employer-supplied motor vehicle is not regular compensation for retirement purposes. This decision has been objected to and is not a final decision. The Commission has filed a brief in support of its position with the Contributory Retirement Appeal Board. It is expected that the Contributory Retirement Appeal Board will issue a final decision in this matter within the next few months. At that time, the Commission will provide the retirement boards with further guidance. In the meantime, as no final decision has been issued, the Commission continues to assert that the value of the personal use of an employer-supplied motor vehicle is regular compensation as outlined in its previous memoranda numbered #3/2001, #25/2001, #41/2001 and #38/2002.

We trust the foregoing is of assistance. If you have further questions or concerns, please contact this office.